NOTICE TO BIDDERS

AMERICAN COALS CORPORATION MINE #5 BOND FORFEITURE RECLAMATION PROJECT SECTIONS 16 & 21, T 75N, R 18W MARION COUNTY, IOWA BID NUMBER 04CR01A05

Sealed bids will be received by the Division of Soil Conservation, Iowa Department of Agriculture & Land Stewardship, Wallace State Office Building, Des Moines, Iowa 50319, until 3:00 p.m. local time, on the 2nd day of September, 2004, and opened at a public meeting and read aloud on the date last mentioned. Bid opening will be held in Conference Room 1 East of the Wallace State Office Building, East 9th and Grand, Des Moines, Iowa.

In general, the work involves, but is not limited to: excavation; grading; building demolition; abandoned equipment removal; terrace construction; riser and pipe installation; tile installation; and revegetation. This project includes approximately 140,300 cubic yards of excavation, constructing 5,435 feet of terraces, treating and dewatering two ponds, and seeding 35 acres. The project is on a permitted coal mine site, generally known as ACC #5. Estimated cost of the project is \$270,000 - \$300,000.

Each bid proposal shall be made on the Proposal and Schedule of Prices form (Document C) furnished by the Division of Soil Conservation, and must be accompanied by a bid bond, cashier's or certified check drawn on an Iowa Bank or a bank chartered under the laws of the United States. The bid bond shall be in the amount of ten percent (10%) of the base bid (no alternates included), made payable to the Division of Soil Conservation. The bid bond may be cashed by the Treasurer of the State of Iowa, as liquidated damages in the event the successful bidder fails to enter into a contract within fourteen (14) days following Notice-of-Award and post bond satisfactorily to the State insuring the faithful performance of the contract. Bid bonds must be executed by corporations authorized to contract as surety in Iowa. Checks of the lowest two or more bidders may be retained for a period of not to exceed thirty (30) days until a contract is awarded or a rejection made. Other checks will be returned after the canvass and tabulation of bids is completed.

Funding for this project is provided from reclamation bond monies obtained by the Division through forfeiture following coal operator's failure to complete reclamation.

Payment to the Contractor for said improvements will be made on the basis of monthly estimates in amounts equal to ninety-five percent (95%) of the completed work.

Final payment in accordance with the designated plan shall be made pursuant to Chapter 573, Code of Iowa. Payment of the retained percentage shall be withheld for a period of thirty (30) days following completion and final acceptance by the Division of Soil Conservation, and following the expiration of statutory time for filing claims, or following the adjudication or release of claims. At the expiration of said thirty (30) days and in the event no claims, as provided by law, have been filed against such funds, the retained percentage shall be paid to the Contractor. In the event that, at the end of said thirty (30) day period, claims are on file, the Division of Soil Conservation, shall continue to retain from said unpaid funds a sum not less than double the total amount of all claims on file.

The successful bidder shall be required to furnish a Performance/Payment Bond in an amount equal to one hundred percent (100%) of the contract price. This said bond shall be issued by a responsible surety approved by the State of Iowa; shall guarantee the faithful performance of the contract and the prompt payment of all materials and labor; and shall protect and save harmless the State of Iowa from claims and damages of any kind caused by the operations of the Contractor.

The work under the proposed contract shall be commenced within fourteen (14) days after Notice-to-Proceed is received and shall be completed not later than September 30, 2005.

The Plans and Construction Specifications governing the construction of the proposed improvements are hereby made a part of this notice by reference and the proposed contract shall be executed in compliance therewith. Contract Documents (including Plans, Construction Specifications, and Bid Package) may be examined at the Division of Soil Conservation, Department of Agriculture & Land Stewardship, Wallace State Office Building, Des Moines, IA 50319, Tel: (515) 281-4246. Contract Documents (including Plans, Construction Specifications, and Bid Package) may be examined at the locations listed on page A-2 of this document:

Division of Soil Conservation IDALS Wallace State Office Building Des Moines, IA 50319 (515) 281-4246

F.W. Dodge, Inc. 939 Office Park Road Suite121 West Des Moines, IA 50265 (515) 223-1046

Reed Construction Data 1011 Office Park Road, Suite 1 West Des Moines, IA 50265 (515) 225-1711 Illowa Builders Plan Room 520 - 24th Street Rock Island, IL 61201 (309) 788-9260

Reed Construction Data 10665 Bedford Avenue Suite 105 Omaha, NE 68134 (402) 498-3985 Construction Update Plan Room 5850 - 6th Street S.W. Cedar Rapids, IA 52404 (319) 362-4008

Master Builders of Iowa 221 Park Street Des Moines, IA 50309 (515) 288-8904

Copies of the Contract Documents, including Plans, Construction Specifications, and Bid Package, can be obtained by interested bidders upon receipt of a verbal or written request to Dharmvir "D.V." Bhatnagar at (515) 281-7678 or by email: dharmvir.bhatnagar@idals.state.ia.us or at the address aforementioned. Contract Documents are issued to prospective bidders upon deposit of \$50.00 per set, by certified cashier's or company check made payable to the Treasurer, State of Iowa. The deposit must be received prior to issuing Contract Documents to bidders. Deposits will be refunded to unsuccessful bidders upon return of the Contract Documents within thirty (30) days following receipt of bids. Contract Documents will be mailed prepaid to prospective bidders. In the event bidders wish to receive Contract Documents by overnight mail, a separate non-refundable check in the amount of \$25.00 per set, made payable to the Treasurer, State of Iowa, must be received in addition to the refundable deposit prior to issuing Documents. Contract Documents shall be returned prepaid by the bidder to the Division of Soil Conservation.

Questions concerning the Plans and Construction Specifications should be addressed to Dharmvir Bhatnagar at the aforementioned address, telephone number, or email. Questions concerning the bid documents should be addressed to Todd Coffelt, Project Coordinator, at (515) 281-4253. In order to be considered in a final addendum, written questions must be received by the Division of Soil Conservation no later than August 26, 2004.

A copy of the Notice-to-Bidders has been sent to Associated General Contractors of Iowa, P. O. Box 757, Des Moines, IA 50303, (515) 283-2424.

A pre-bid conference will be held at 10:00 AM on Thursday, August 19th, 2004 at the Kin Folks' Eatin' Place in Attica, Iowa. Call (641) 943-2362 for directions. Attendance at the pre-bid conference by prospective bidders is not mandatory, but is encouraged.

Bidders are required to be prequalified for grading work over \$100,000 by the Iowa Department of Transportation (IDOT) and registered with the Iowa Division of Labor. Information on becoming prequalified can be obtained from IDOT's Office of Contracts, (515) 239-1414. Information on becoming registered can be obtained by calling the Iowa Division of Labor (515) 281-3606.

If the successful bidder is a non-Iowa corporation, the corporation must submit proof to the Division, prior to the execution of the Contract, of authorization by the Secretary of State to do business in Iowa.

The Division of Soil Conservation reserves the right to reject any or all proposals and to waive technicalities and irregularities.

Published the week of August 9 - 13, 2004.

END OF DOCUMENT A